

2011 Military Health System

Conference

Track K: Improving Effectiveness,
Managing Per Capita Costs Incentives
and Fiscal Results

Process Improvement Success Stories :
Impacting PMPM - Introduction

The Quadruple Aim: Working Together, Achieving Success



Supports Advancement of the Quadruple Aim



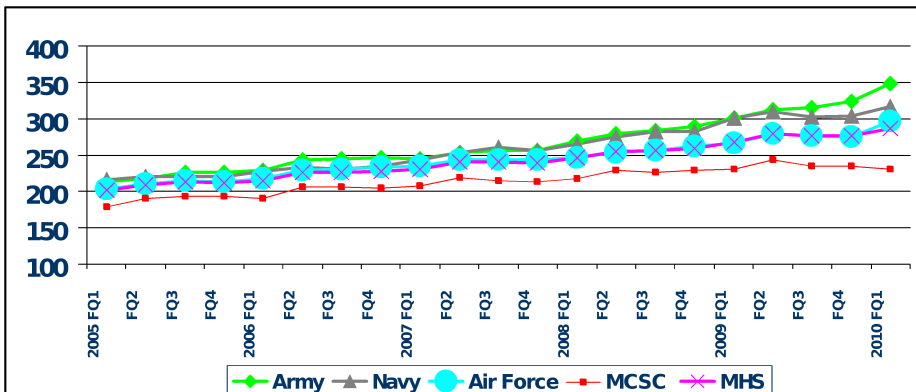
Per Capita Cost

- Create value by focusing on quality
- Target outcomes not outputs
- Eliminate waste and reduce unwarranted variation;
- Consider the total cost of care over time, not just the cost of an individual health care activity

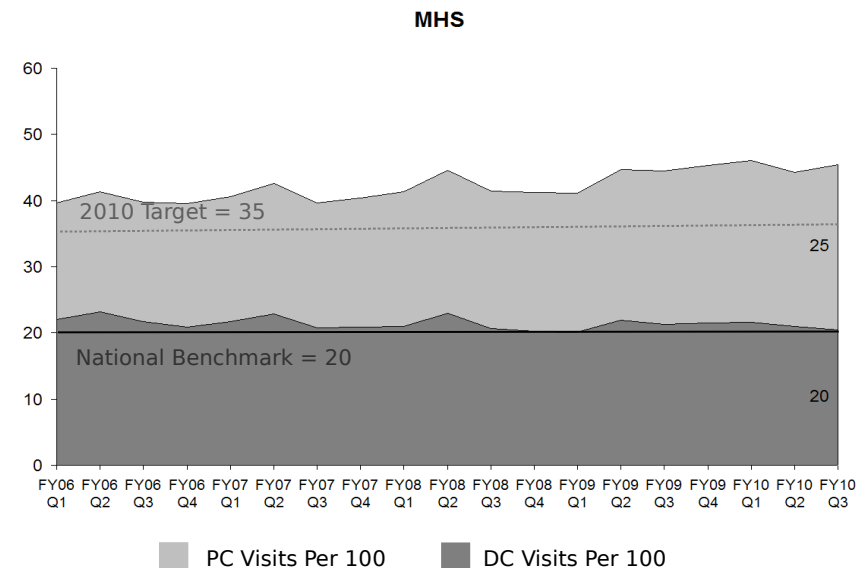
Overview



MHS PMPM Trend



Prime Utilization of Emergency Services



	FY08 YTD %	FY09 YTD %	FY10 YTD %
MHS Performance	7.3%	8.1%	8.1%
MHS Goal	6.1%	5.0%	6.1%

Utilization grew on average 2% from FY06 to FY08, but has grown on average 4% per year since FY08